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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

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6854
6543
6888

October 20, 2015

Barclay Cuthbert
Suite 1600, 521 – 3rd Avenue SW
Calgary, Alberta T2P 3T3
Canada

Subject: Approval of Revised Notice of Intention to Commence Large Mining Operations (NOI) and Reclamation Surety, U.S. Oil Sands (Utah), Inc., PR Spring Mine, M/047/0090, Uintah County, Utah

Dear Mr. Cuthbert:

The Division of Oil, Gas and Mining approves the revised Notice of Intention to Commence Large Mining Operations (Notice) for the PR Spring mine. This includes approval of the water monitoring plan and information concerning compliance with air quality regulations. These were received in response to the order issued by Division Director John Baza on July 17, 2015.

The Division now permits you to begin processing operations as outlined in the Notice. The permitted disturbed area under the revised Notice is 316 acres. A copy of the executed surety documents will be forwarded to the School Institutional Trust Lands for their records. The surety will be reviewed annually to assure it remains adequate for each year of disturbance as outlined in Table 2 of the Notice.

The approved revised Notice must be filed with the Trust Lands Administration in addition to the lease. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations.

Enclosed are copies of the signed and executed reclamation contract and surety bond forms for your files. Also enclosed is a copy of the Notice stamped approved. Please keep the Notice current by submitting changes using Form MR-REV-att, which is located on the web at www.ogm.utah.gov.

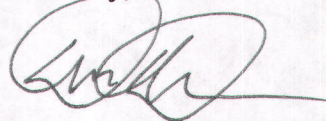


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In addition, the Division is now retiring the small mine permit for the Leonard Murphy mine, file number S/19/0059. The funds being held as surety for this project have now been transferred to the PR Spring mine. Enclosed is the original copy of the reclamation contract for this mine.

Thank you for your help and patience in finalizing this permitting action. Please call April Abate at 801-538-5214 or Paul Baker at 801-538-5261 if you have any questions in this regard.

Sincerely,



Dana Dean, P. E.
Associate Director of Mining

DD: pbb: aa: eb

Enclosures: Approved Notice of Intention, Reclamation Contracts

cc : Doug Thornton, US Oil Sands (doug.thornton@usoilsandsinc.com)

Jerry Mansfield, SITLA (jmansfield@utah.gov)

Matt Cazier, (mcazier@co.uintah.ut.us) Uintah County w/o enclosure

Zacharia Levine, Grand County Planning and Engineering Director (zlevine@grandcountyutah.net)

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